18 February 2014 - The weather can have a dramatic impact on the profitability of businesses, and a better understanding of it can help boost both profit margins and efficiency, according to the Met Office.

With recent extreme weather conditions taking a devastating toll on transport and utilities, it's easy to see how an early warning system can help brace these sectors for what's in store.

Weather intelligence can make a huge difference to business performance, yet many companies just don't think about it.

John Hirst, CEO of the Met Office, says: "The weather affects businesses across all sectors in some way. The Met Office makes over 4.5 million forecasts a day and these are tailored to sectors such as the health service, and agriculture, we even have a consultancy for businesses preparing for the impacts of climate change.

"Commercially we work with a large number of customers in the retail, energy, utilities, insurance, transport and aviation industries, and offer services tailored for each of these sectors.

"We would like to see weather rise up the business agenda for industry groups such as food security, environmental waste or supply chain businesses in the retail sector."

A Sainsbury's spokesman says the Met Office helped it record its "best-ever week of seasonal barbecue sales", with a "600% increase year-on-year".

Karen Whitworth, Director of Supply Chain at Sainsbury's says: "We really appreciate the value-added services the Met Office provides. Their forecasting services have given us the confidence that we need to make better ordering decisions."

With improvements in scientific knowledge and long term forecasting capabilities, the science exists to enable organisations to make meaningful business decisions - the challenge for the Met Office is delivering it to industry. Hirst believes a shift in mindset is needed at board level, to help businesses in the UK be more competitive - so companies embrace the weather for competitive advantage rather than using it as an excuse.

Benefits of Met Office forecasts to the Environment Agency Flood Warning Services are conservatively estimated at around £48 million per annum and airlines save an estimated £2.7 billion a year globally, thanks to forecasts influenced by weather intelligence.

Met Office services include:

- Supporting the green economy - since the launch of its dedicated £50 million renewable energy fund in 2012 NatWest has committed £24.4 million towards renewable energy projects, supported by **wind speed reports and data** from the Met Office.
- **Route based forecasting** and planning for logistics companies ensures risk assessments account for the type of road, the type of day, the time of day, the kind of traffic and diversion routes.
- For food production manufacturers the Met Office runs a **temperature alert service**, as temperature impacts on the setting of chocolate in biscuits and confectionary. For soft drinks and bottled water suppliers a similar service enables them to better predict demand and stock levels during the summer.

Cutting edge science has transformed weather forecasting and forecasting accuracy over the last two decades. The Met Office has also moved forward, it is far more customer-focused and is no longer working in isolation, having embraced the importance of working with partner organisations to deliver real value to businesses and to improve economic growth. Businesses that rely on accurate forecasts and weather warnings can efficiently plan for what's ahead, minimising disruption to business and in turn, boosting profitability.

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